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STATISTICAL SUMMARY

BUREAU OF AGRICULTURAL ECONOMICS, U. S. D. A.

WASHINGTON, D. C.

October 18, 1948 SS-71

Crops Total, Biggest in History

Conditions continued favorable for most crops. Weather was adverse in spots and for some crops, but changes in estimates, up and down, balanced off in the aggregate so that all-crop production October 1 remained same as a month earlier and the largest in history . . . more than a third higher than the '23-'32 average and 8 percent above the big all-crop volume reached in '46.

The corn estimate is larger than a month ago by 39 million bushels; cotton, smaller by 140 thousand bales; tobacco, larger by 32 million pounds; and the Irish potato crop, up about 10 million bushels from the month-ago estimates. Pastures, on October 1, though nearly average for the month, were not so good as a month earlier. Generally dry weather, reducing pasture growth in driest areas, was ideal for haying, and more hay was saved than had been expected.

Corn Crop, First to Top 3½ Billion Bushels

The corn crop is estimated at nearly 3.6 billion bushels, compared with 2.4 billion produced last year and 2.8 billion '37-'46 average. The crop this year will be first corn crop in history to top 3½ billion bushels.

Other Crop Estimates, With Comparisons

Wheat, 1,284 million bushels. Production last year, 1,285 million; average, 943 million.
 Oats, 1,493 million bushels. Last year, 1,216 million, average, 1,232 million.
 Barley, 317 million bushels. Last year, 279 million; average, 299 million.
 Rye, 27 million bushels. Last year, 26 million; average, 37 million.
 Buckwheat, 6.3 million bushels. Last year, 7.3 million; average, 7 million.
 Flaxseed, 50 million bushels. Last year, 39.8 million; average, 26.8 million.
 Rice, 78.8 million bushels. Last year, 79.3 million; average, 60.5 million.
 Sorghum grain, 127.7 million bushels. Last year, 95.6 million, average, 99.8 million.
 Hay (all), 99 million tons. Last year, 102.5 million; average, 97.6 million.
 Beans (dry edible, 100 lbs.), 19.3 million bags. Last year, 17.2 million; average, 16.7 million.
 Peas (dry field, 100 lbs.), 3.5 million bags. Last year, 6.5 million; average, 5.3 million.
 Soybeans, 205.8 million bushels. Last year, 181.4 million; average, 134.6 million.
 Peanuts, 2.3 billion pounds. Last year, 2.2 billion; average, 1.8 billion.
 Potatoes, 418.4 million bushels. Last year, 384.4 million; average, 392.1 million.
 Sweetpotatoes, 52.7 million bushels. Last year, 57.2 million; average, 64.9 million.
 Tobacco, 1.8 billion pounds. Last year, 2.1 billion; average, 1.7 billion.
 Sugarcane (sugar and seed), 6.2 million tons. Last year, 5.4 million; average 6 million.
 Sugar beets, 16 million tons. Last year, 12.5 million; average, 9.8 million.
 Broomcorn, 28 thousand tons. Last year, 33 thousand; average, 43 thousand.

Feed Grains Break All Records--Production and Supplies

Feed grains produced--corn, oats, barley and sorghum grain--are now expected to total 135 million tons, exceeding by 11 million tons the record set in '46. Although stocks of corn carried over from last year are the smallest since '37, the October 1 total supply of feed grains on farms is the highest quantity on record.

Liberal Supplies of Feed Per Animal

With reduced livestock numbers, grain supplies per animal unit will be the most liberal of record. The estimated 99 million tons of new hay, plus a large carry-over, adds up to more hay per animal unit than in any year prior to '45.

Food Grain Production Continues Near Record

A slight decline in the spring wheat estimate is more than offset by improvement in rice and buckwheat prospects. Thus, food grain production continues at near-record level . . . 41.2 million tons compared with 43.6 million last year.

Total Grains Top '46 by 15 Million Tons

Total production of 8 grains--4 feed and 4 food--as estimated October 1, is 176.2 million tons. This tops by 15 million tons the previous record of 161.2 million tons produced in '46.

Grain Stocks On Farms October 1

Wheat, stocks on farms, 542.9 million bushels; down 67 million from year ago but well above '37-'46 average of 464 million.

Oats, 1.2 billion bushels; up from the 964 million bushels on farms a year ago, and 19 percent above average.

Barley, 210 million bushels; up 31 percent from the 160 million year ago, but down from the 225 million average.

Rye, 14 million bushels; up about 4 percent from last year's 13.5 million but well below the average of 24.8 million.

Corn, old stocks on farms, 114.6 million bushels; down from last year's 254.2 million and 340.7 million average.

Soybeans for beans (old crop), 1.8 million bushels, down from the 2.2 million year ago, also from the 3.5 million average stocks (Principal grain stocks in all positions will be released by BAE October 25).

Oil Crops Up 40 Percent From Average

Soybeans and peanuts are record crops. The flaxseed crop has been exceeded only in '43. Cottonseed is nearly one-fourth above average. Aggregate oilseed production may be 40 percent above average and 20 percent above last year.

Farmer's Receipts Expected to Continue High But Farmer's Net Incomes Are Apt to Be Lower in '49

Present trends indicate a fairly stable level of economic activity in '49. Foreign aid and expenditures for defense afford considerable assurance for a high level of demand, at least for the first half of next year.

A strong demand for most farm products is expected in '49. But as farm production improves abroad, a stronger relative demand is expected for our non-farm products than for our farm products. This means that general prices farmers receive will decline somewhat faster or will be lower than farmers' production and marketing costs; and that net incomes to farm operators are apt to be less in '49 than in '48, even though farmers' prices and cash receipts continue to average--as now indicated--almost

PARITY PRICES FOR FARM PRODUCTS AND ACTUAL PRICES RECEIVED

COMMODITY AND UNIT	ACTUAL PRICE			PARITY PRICE
	Aug. 15 1948	Sept. 15 1948	Sept. 15 1948	
Wheat, bu.	dol. 1.96	1.97	2.21	
Corn, bu.	dol. 1.91	1.78	1.60	
Peanuts, lb.	ct. 10.4	10.4	12.0	
Cotton, lb.	ct. 30.41	30.94	31.00	
Potatoes, bu.	dol. 1.58	1.53	1.86	
Hogs, 100 lb.	dol. 27.10	27.30	18.20	
Beef cattle, 100 lb.	dol. 24.40	24.20	13.60	
Veal calves, 100 lb.	dol. 26.60	26.20	16.90	
Lambs, 100 lb.	dol. 24.80	23.40	14.70	
Butterfat, lb.	ct. 81.1	75.6	1/ 65.8	
Milk, wholesale, 100 lb.	dol. 2/ 5.00	5.08	1/ 4.12	
Chickens, live, lb.	ct. 32.5	31.9	28.5	
Eggs, doz.	ct. 49.2	51.4	1/ 54.0	

1/ Adjusted for seasonal variation

2/ Revised

as high as this year. But these continued high levels are based on an "if" -- if economic trends and government programs develop in accordance with current indications. For full discussion of the outlook, see BAE's 1949 Outlook issues of the "Demand and Price Situation," the "Farm Cost Situation," and others.

Costs Now Increasing Faster than Farm Product Prices

Farm cost rates increased by 10 percent from '45 to '46, 22 percent from '46 to '47, and 14 percent from the first 8 months period last year to the first 8 month period this year. In the same periods prices received by farmers increased by 15 percent, 20 percent, and 7 percent respectively. Farm wage rates October 1 were up from a year earlier by 6 percent and were 3-3/4 times as high as in '35-'39. Prices of farm machinery have advanced continuously since '40 and are now at record high. Prices for most cost items, except feed, are expected to be still higher next year.

Prices Received, Down 17 Points From Record High --Prices Paid, Down Only 1 Point From High

Index of prices received by farmers September 15, at 290, was down 3 points from a month earlier while index of prices paid, including interest and taxes, was down only 1 point. Prices received were down 17 points from the record high reached in January. Prices paid were only 1 point below a record high.

Prices of grains (September 15) are below a year ago, as are both cotton and cottonseed, soybeans, flaxseed, sweetpotatoes, dry edible beans, grapefruit, butterfat, and eggs. In contrast, prices of all the meat animals, chickens, turkeys, wool, oranges, apples, tobacco, dry field peas, potatoes, peanuts, and hay are higher than a year ago.

Another Large Citrus Crop Expected

Conditions October 1 indicate that the new U. S. citrus crop, '48-'49, will about equal last year's large crop.

Price-Cost Squeeze Affects Citrus

Some farm products feel the "price-cost" squeeze quicker than others (when prices received fall faster than production and marketing costs). Citrus fruits have begun to feel it. Citrus production increased fourfold in the past 20 years and a large part of the citrus acreage has not yet reached full bearing age. Consumption rate also has increased enormously, especially in processed form, but not enough always for profitable demand to growers. Last year 6 million boxes of Florida and Texas grapefruit were left in the fields. Grapefruit growers in these two States averaged only 47 and 49 cents at the packinghouse door in the '47-'48 season as compared with 85 and 90 cents in the '46-'47 season. Florida growers averaged only 90 cents for oranges in the '47-'48 season compared with \$1.25 previous season. For estimates of citrus production, value, utilization and bearing acreage, for the U. S. and for individual States, '46-'47 and '47-'48, see BAE's October report on "Citrus Fruits."

Short Crop of Grass Seed

Forecast for 21 kinds of grass, legume, and winter-cover crop seeds is down a fourth from last year and a fifth from the '42-'46 average. Aggregate production, October 1 estimate, 378.2 million pounds, clean seed. Timothy, broomgrass, redtop, Ky. bluegrass, and meadow-fescue, each were only about half of last year's crop. Clover seeds will be up to average.

Fall Vegetables Still Plentiful

Larger supplies than last fall are expected for 8 vegetables, ranging from 4 percent more early fall tomatoes to 49 percent more carrots. Only celery, cucumbers, lettuce and green peppers are expected to be in lighter supply than last fall. All of these are above average except green peppers. Supplies of early fall vegetables (October and November) will be a fourth larger than last fall and above average. Late fall tonnage is expected to be down a little from last year, but at least a third above average.

For Processing, Down a Little from '47

The 4.5 million tons indicated on October 1 for seven vegetables for processing (green peas, snap beans, sweet corn, tomatoes, canning beets, lima beans and pimientos) will be about 12 percent less than the 1947 production, but about 4 percent above the 10-year average.

Big Pecan Crop Forecast

The Pecan crop, forecast at 169.7 million pounds, is 43 percent greater than last year and 55 percent above average production. Improved varieties total 76.7 million pounds compared with 44.9 million last year. Total pecan crop estimate is up 9 million pounds from last month's estimate.

Poultry Feed Cost Less; Egg Production, Up

Cost of feed compared with price of eggs was more favorable to farmers in September and farm flocks produced eggs at a record rate for the month. Production was up 5 percent from a year earlier, despite smaller numbers of layers. There were 5 percent fewer all potential layers, but they were down from average only 1 percent. Egg production first 9 months totaled 44.4 billion eggs. 44.9 billion were produced first 9 months last year, and 39 billion '37-'46 average for same period.

Feed cost \$3.93, 100 pounds; \$4.07, month ago; \$4.67, year ago; 10-year average, \$2.34. Eggs brought farmers 51.4 cents a dozen, mid-September; 53 cents, year earlier; 31.6 cents '37-'46 average. Chickens averaged farmers nearly 32 cents a pound live weight, highest in 39 years; year ago, 28 cents; 10-year average, 20 cents.

Live Turkeys Sell High

Turkeys averaged farmers 43.3 cents a pound live weight, mid-September; 33.8 cents year ago; and 22.8 cents 10-year average. Dressed turkey markets were weak with prices declining from 4 to 12 cents a pound.

Lower Deciduous Fruit Output

Total production of deciduous fruits will fall below earlier expectations. Estimates are 12 percent less than in '47 and 5 percent less than average. All major items are below last year except cherries and apricots. But all are above average except apples, pears, and plums and prunes.

September Milk Output Lowest Since '40 --But Rate Per Cow Continues High

Milk flow per cow continued at a record rate during September. But with milk cow numbers the lowest in 18 years, total production for the month--9.2 billion pounds--was a little less than in the same month last year, and was the smallest for the month since '40. Except in 1937, milk production per capita in September was smallest for the month since '30--only 2.08 pounds per day.

Production first 9 months of this year totaled 91.2 billion pounds compared with 94.4 billion first 9 months last year and nearly 90 billion '37-'46 average, same period.

Big Supply of Peanuts

A total of 270 million pounds of peanuts (farmer's stock equivalent) was held in commercial positions on September 30. This was largest for the date in 5 years. A record total of 102 million pounds was milled during that month.

Balance Sheet Shows Farmers' Net Gains

Farmers' total assets increased last year 12 billion dollars --from \$110 billion to \$122 billion. Financial assets (currency, bank deposits, savings bonds, and co-op equities) increased 1 billion dollars--from \$21 billion to \$22 billion. Farm real estate went up from \$59 billion to \$63 billion. And other physical assets rose from under \$31 billion to \$37 billion, mostly from price changes. Although farmers' debts rose from \$8 billion to \$9 billion, their equities, after debt, increased from \$102 billion to \$113 billion during the year.

CURRENT INDEXES FOR AGRICULTURE		
INDEX NUMBERS	BASE PERIOD	Sept. 1943
Prices received by farmers	1910-14= 100	290
Prices paid by farmers, interest and taxes	1910-14= 100	250
Parity ratio	1910-14= 100	116
Wholesale prices of food	1910-14= 100	294
Retail prices of food	1910-14= 100	1/ 280
Farm wage rates	1910-14= 100	440
Weekly factory earnings	1910-14= 100	2/ 474
PRODUCTION COMPARISONS		
	Jan.-Sept. 1947	Jan.-Sept. 1948
Milk, (Bil. lb.)	94.4	91.7
Eggs, (Bil.)	44.9	44.4
Beef, (Dr. wt., mil. lb.)	3/ 4948	3/ 4143
Lamb & Mutton (Dr. wt., mil. lb.)	3/ 464	3/ 416
Pork & Lard (Mil. lb.)	3/ 6079	3/ 5737
All meats (Dr. wt., mil. lb.)	3/ 12023	3/ 10780

1/ August figure.
2/ Factory payroll per employed industrial worker. July figure.
3/ January-August.